



## **Port state to focus on fair employment conditions**

This year's joint concentrated inspection campaign by the Paris and Tokyo MOUs starts on 1 September 2024 and will focus on crew wages and seafarer employment agreements under the Maritime Labour Convention.

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# MLC deficiencies remain static

The 2024 joint concentrated inspection campaign (CIC) by the Tokyo and Paris MOUs port state control (PSC) regimes was likely prompted by concerns about the relatively high and static number of Maritime Labour Convention (MLC) related deficiencies recorded in recent years.

According to the [Paris MOU inspection results](#) for 2021-2023, MLC violations made up more than 20% of all deficiencies and 10% of all detainable deficiencies reported. Although the majority of these were related to physical arrangements onboard ships, such as defective accident prevention or medical, accommodation and recreational facilities, the single most common reason for recording an MLC deficiency was due to unsatisfactory seafarers' employment agreements (SEA).

## Case studies

The Australian Maritime Safety Authority (AMSA), a Tokyo MOU member renowned for its commitment to MLC-related issues, confirms a similar deficiency trend. Furthermore, its [MLC Annual Report 2023](#) reveals that 14 of the 25 ships that have been banned from Australian waters since 2018 were the result of serious breaches of the MLC, primarily relating to underpayment of wages, decent working and living conditions and inadequate provisions. In 2023, one ship was banned from entering Australian waters for a year due to systemic underpayment of wages and seafarers being coerced into signing new employment agreements. This and other similar case studies are described in more detail in AMSA's report.

In the following articles Gard claims handlers' share their first hand experience with MLC-cases involving seafarers who had been abandoned by their employer:

- [The Maritime Labour Convention – theory and practice](#)
- [MLC support for abandoned seafarers – theory and practice](#)

## Fair employment conditions

This year's CIC focus area, crew wages and SEAs, is primarily governed by [Title 2 of the MLC - Conditions of employment](#), which includes basic requirements such as the following:

### *Regulation 2.1 on SEAs:*

- All seafarers must have a SEA signed by both the seafarer and the shipowner or the shipowner's representative. The shipowner and seafarer concerned shall each have a signed original of the SEA
- A SEA must, as a minimum, contain the matters set out in Standard A2.1, paragraph 4(a)–(k) of the MLC.
- Seafarers must also be given a document containing a record of their employment on the ship (such as a discharge book).
- Where a collective bargaining agreement forms all or part of the SEA, a copy of the agreement must be available onboard with relevant provisions in English.
- Seafarers must be given the opportunity to review and seek advice on their employment agreements before signing them.

### *Regulation 2.2 on Wages:*

- Seafarers must be paid at no greater than monthly intervals and in full for their work in accordance with their employment agreements.
- Seafarers are entitled to an account each month indicating their monthly wage and any authorized deductions such as allotments.
- There should be no unauthorized deductions, such as payments for travel to or from the ship.

Charges for remittances/allotment transmission services must be reasonable and the exchange rates used in accordance with national requirements.

Furthermore, the MLC requires ships to display certificates or other documentary evidence confirming that financial security is in place in the event of compensation for death and long-term disability (Regulation 4.2), as well as for repatriation (Regulation 2.5).

## Be prepared

Every ship calling at the port of an MLC member state, regardless of the flag they fly, may be subject to inspection to ensure compliance with the provisions of the Convention. Hence, we encourage ship owners to use this CIC as a timely reminder to ensure that all of their obligations under the MLC provisions are fulfilled.

Prepare for the CIC by thoroughly reviewing company and ship-specific procedures and management systems, particularly those associated with seafarers' wage accounts and contracts. Make sure they comply with all applicable MLC regulations and that the required documentation is onboard to prove compliance in the event of a PSC inspection.

The Paris and Tokyo MOUs' official [CIC questionnaire](#) was published on 1 August 2024 and should be used in the preparations.

Our article "[Time to review your crew contracts - let us help](#)" may also be of assistance. It focuses on the scope of P&I cover in respect of crew, the best approach to ensure your liabilities are covered under the Gard P&I entry, and the importance of fair and clear contract terms. It contains an [MLC checklist for crew contracts](#) which owners can use to ensure their contracts meet the main provisions of the code concerning contract terms.

We also provide [details of the MLC financial security certificate application process and explain the terms on which certificates can be issued](#).

*Remember that poor working conditions and worry over non-payment of wages are common stressors among seafarers, and stress not only affects individual health – it also jeopardises ship operations' safety.*

## Other useful resources

- [Gard: Protecting seafarers and their rights](#)
- [ILO: Maritime Labour Convention, 2006, as amended \(full text\)](#)
- [ILO: Guidelines for port State control officers carrying out inspections under the Maritime Labour Convention, 2006, as amended](#)
- [ITF: Guide for Seafarers to the ILO Maritime Labour Convention, 2006](#)
- [AMSA: Maritime Safety Awareness Bulletin Issue 19, 2024 – Conditions of employment](#)